

MINUTE ITEM

28. APPLICATION OF THE CITY OF LONG BEACH FOR EXPENDITURE OF TIDELAND OIL REVENUE FOR IMPROVEMENT OF APPIAN WAY - L.B.W.O. 10,087.

Following presentation of Calendar Item 31 attached, the disparity between contract estimates and actual costs was reviewed. The Executive Officer pointed out that the practical difficulty in obtaining precision in estimates was the reason that project approval resolutions of the State Lands Commission state that approvals are on an estimated basis, with the amount actually and finally allowed to be the amount that can be calculated precisely after audit and rigorous engineering review following completion of a project. Mr. Gerald Desmond, City Attorney of Long Beach, stated that the disparity in project costs was in his opinion due to inadequate estimates furnished by the City's contracting engineers.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

THE COMMISSION APPROVES THE APPLICATION OF THE CITY OF LONG BEACH, PURSUANT TO THE AUTHORITY OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., FOR THE EXPENDITURE FROM THE CITY'S PORTION OF THE TIDELAND FUND OF AN ADDITIONAL AMOUNT OF \$37,632, BUT NOT TO EXCEED 58.64 PER CENT OF THE ADDITIONAL ACTUAL COST, FOR THE CONSTRUCTION OF A BRIDGE OVER THE NORTH ARM OF ALAMITOS BAY IN THE CITY OF LONG BEACH TO BE USED IN SUBSTANTIAL PART AS A MEANS OF ACCESS TO THE LONG BEACH MARINA, SUBJECT TO THE CONDITION THAT A FINAL DETERMINATION OF THE AMOUNT OF THE COSTS TO BE PAID FROM TIDELAND FUNDS WILL BE MADE UPON THE BASIS OF A TRAFFIC STUDY TO BE CONDUCTED NO LATER THAN THREE YEARS AFTER COMPLETION OF THE PROPOSED IMPROVEMENT, WHICH STUDY WILL SHOW THE PERCENTAGE OF ACTUAL USE AS A BASIS FOR DETERMINING FUTURE PROJECTED USE OF THE IMPROVEMENTS IN CONJUNCTION WITH OR INCIDENT TO THE LONG BEACH MARINA.

Attachment
Calendar Item 31 (2 pages)

CALENDAR ITEM

31.

APPLICATION OF THE CITY OF LONG BEACH FOR EXPENDITURE OF TIDELAND OIL REVENUE FOR IMPROVEMENT OF APPIAN WAY - L.B.W.O. 10,087.

On October 29, 1959 (Minute Item 10, pages 5376-80), the Commission approved the application of the City of Long Beach, pursuant to the authority of Chapter 29, Statutes of 1956, 1st E.S., to expend not more than \$190,600 for the improvement of Appian Way and the construction of a bridge over the north arm of Alamitos Bay in the City of Long Beach, to be used in substantial part as a means of ingress and egress to the Long Beach Marina. This approval was given upon the condition that a final determination of the proportion of the total costs to be paid from tide land funds will be made on the basis of a traffic study to be conducted no later than three years after completion of the proposed improvements, which study will show the percentage of actual use as a basis for determining future projected use of the improvements in conjunction with or incident to the Long Beach Marina.

On May 24, 1960 (Minute Item 19, pages 5981-84), the Commission approved an additional amount of \$87,200, over the amount previously approved, to cover costs of additional work required on the project.

The approved cost limit of \$277,800 to be expended from the City's share of the tideland funds was arrived at by applying a City of Long Beach estimate of 58.64% as the percentage of the total traffic which will use the bridge for access to the marina. Total cost of the project was then estimated at \$473,750 with \$135,000 being estimated for widening and improving Appian Way and \$338,750 being estimated for the construction and engineering costs of the bridge. The road work on Appian Way has been completed.

On November 2, 1960, bids were opened by the City for construction of the bridge with the low bid being \$384,174.95, which is \$64,175.00 above the previous City engineer estimate. Moffat and Nichol, Engineers, designers for the structure, have reviewed their estimate and in their letter to the City Engineer dated November 30, 1960, they state: "Almost all of the difference between the three low bids and our estimate of total cost can be accounted for by the difference of opinion as to the cost of unwatering and the cost of cofferdam construction. This item is always a matter of opinion, and it appears that the assumptions upon which our estimate was based for this one item must have been incorrect since the three low bidders are experienced in the area and we cannot disagree with the methods used by these contractors to estimate their costs of this item of work. After fully reviewing the bids received, we conclude that nothing can be gained by either a redesign or a rebidding and recommend award to the low bidder."

The Office of the City Attorney in letter dated December 5, 1960, to the Executive Officer, in which the current request for costs is made, concurs with their engineer consultants as to the advisability of accepting the low bid.

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It is understood that the City proposes to meet such costs of the bridge, as are not considered eligible from the Tideland Funds, in the amount of approximately 42%, from apportionments from the State Gasoline Tax which is administered by the Division of Highways.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE APPLICATION OF THE CITY OF LONG BEACH, PURSUANT TO THE AUTHORITY OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., FOR THE EXPENDITURE FROM THE CITY'S PORTION OF THE TIDELAND FUND OF AN ADDITIONAL AMOUNT OF \$37,632, BUT NOT TO EXCEED 58.64 PER CENT OF THE ADDITIONAL ACTUAL COST, FOR THE CONSTRUCTION OF A BRIDGE OVER THE NORTH ARM OF ALAMITOS BAY IN THE CITY OF LONG BEACH TO BE USED IN SUBSTANTIAL PART AS A MEANS OF ACCESS TO THE LONG BEACH MARINA, SUBJECT TO THE CONDITION THAT A FINAL DETERMINATION OF THE AMOUNT OF THE COSTS TO BE PAID FROM TIDELAND FUNDS WILL BE MADE UPON THE BASIS OF A TRAFFIC STUDY TO BE CONDUCTED NO LATER THAN THREE YEARS AFTER COMPLETION OF THE PROPOSED IMPROVEMENT, WHICH STUDY WILL SHOW THE PERCENTAGE OF ACTUAL USE AS A BASIS FOR DETERMINING FUTURE PROJECTED USE OF THE IMPROVEMENTS IN CONJUNCTION WITH OR INCIDENT TO THE LONG BEACH MARINA.